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| ETF_logo_large | STATE OF WISCONSIN**Department of Employee Trust Funds****Robert J. Conlin** SECRETARY | 801 W Badger RoadPO Box 7931Madison WI 53707-79311-877-533-5020 (toll free)Fax (608) 267-4549http://etf.wi.gov |

Date: January 4, 2017

To: All RFP ETG0013 Proposers

Subject: **ADDENDUM No. 2**

 **Request for Proposal (RFP) ETG0013**

**Administrative Services for the State of Wisconsin Pharmacy Benefit Program**

**Acknowledgement of receipt of this Addendum No. 2:**

**Proposers must acknowledge receipt of this Addendum No. 2 by providing the required information in the box below and including this Page 1 in TAB 1 of Proposer’s Proposal.**

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| Proposer’s Company Name: |  |
|  |  |
| Authorized Printed Name: |  |
|  |  |
| Authorized Signature: |  |
|  | Date |

**Please note the following updates to RFP ETG0013:**

1. **ADD** the following bullet to Page 20 of the RFP, Section 2.4 to the right of TAB 1 directly proceeding “Provide the following in the following order:”
* Page 1 of ADDENDUM No. 2: Completed and signed Page 1 of Addendum No. 2.
1. **REMOVE** Exhibit 1 – Pro Forma State of Wisconsin Pharmacy Benefit Program Agreement Revised 12/12/2016 and **REPLACE** with Exhibit 1 – State of Wisconsin Pharmacy Benefit Program Agreement Revised 01/04/2017 (provided with this Addendum No. 2 and available on ETF’s extranet at <https://etfonline.wi.gov/etf/internet/RFP/PharBeneMgmt16RFP/index.htm>).
2. **ADD** the following questions/answers from Proposers/ETF to the RFP:

| No. | RFP Section | RFP Page | Question/Rationale |
| --- | --- | --- | --- |
| Q1 | RFP Section 1.1 | 4 | Please provide detail on ETF’s motivation for going out to bid for PBM services.  |
| A1 |  |  | The current contract for pharmacy benefit management services expires 12/31/2017. The Department is required by State statute to procure services through the RFP process. |
| Q2 | RFP Section 1.2.1 | 4 | RFP section 1.2.1 says in one place that Medicare eligible members receive Medicare Part D benefits “from a self-funded employer group waiver program (EGWP)”, and then later in section 1.2.1 that “More than 27,000 of these members are covered by a fully insured Medicare Part D prescription drug plan…” Please clarify the total number of EGWP lives that are the subject of this RFP and confirm that the State seeks only self-funded proposals.  |
| A2 |  |  | The numbers listed in the Pharmacy Benefit Program Fact Sheet (Appendix 9) are correct. The third bullet in Section 1.2.1 of the RFP is incorrect, and should read: “All retired, Medicare eligible Subscribers, and their Medicare eligible dependents are covered by the Medicare Part D employer group waiver plan (EGWP) which is self-insured. There are currently more than 32,000 individuals covered by the EGWP program.” |
| Q3 | RFP Section 1.2.1  | 4 | Does the current PBM administer EGWP directly or is it subcontracted via a third party administrator? |
| A3 |  |  | The current PBM provides the EGWP coverage to the GHIP and WPE eligible members by subcontracting with an underwriter that contracts directly with CMS. |
| Q4 | RFP Section 1.2.1 – Table 1 | 5 | Level 4 – How is the Preferred Specialty Pharmacy selected /determined?  |
| A4 |  |  | The Preferred Specialty Pharmacy is agreed upon by the Board and the Contractor. The Contractor is required to make recommendations to the Board, which will include the Contractor’s selection criteria for establishing a Specialty Pharmacy as a Preferred Specialty Pharmacy. |
| Q5 | RFP Section 1.2.2 | 6 | Is the PBM expected to establish connectivity with all 17 health plan options to share data, eligibility etc. or is the data warehouse for in flow and out flow of data requirements?  |
| A5 |  |  | The Contractor should be prepared to establish connectivity with all 17 health plans as needed for data sharing and for management of deductible and out-of-pocket limit accumulator files. |
| Q6 | RFP Section 1.3 | 10 | Please confirm that should the PBM own and operate its own mail order and/or specialty pharmacy that a traditional pricing model would apply. In the event ETF does not agree with this, is cost plus an acceptable financial arrangement? |
| A6 |  |  | No, a traditional or cost-plus financial arrangement is not acceptable. As stated in Section 1.3 of the RFP, Future State: Project Scope and Objectives, at the top of page 10, no other arrangements will be considered. All financial arrangements will comply with full transparency as defined in the RFP and a full pass-through model that includes retail, internet and mail-order pharmacies.  |
| Q7 | RFP Section 1.3 | 10 | Please confirm exactly what is meant by “Business practices, processes and clinical methodologies must also be fully disclosed.” There may be instances where the PBM believes such information is confidential. |
| A7 |  |  | The Department, on behalf of the Group Insurance Board, defines “transparency” to be all-inclusive of procedural and operational processes and functions, especially when a full pass-through business model is required. The Department fully understands that there is a great deal of confidential and proprietary information that helps one PBM distinguish itself from another. Based on this, access to a PBM’s proprietary and confidential information would be stringently restricted to the Department, the Board, and the Board’s actuaries and auditors, and used to ensure that full transparency and the full pass-through business model are being adhered to by the PBM. For additional information regarding how confidential and proprietary information is considered under the Wisconsin Public Records Law, please review A12 and A118 below. |
| Q8 | RFP Section 1.9 Table 5 | 16 | RFP Table 5. Calendar of Events indicates that May 16, 2017 is the Group Insurance Board meeting including Finalist Proposer Presentations and the Contract Start Date is July 1, 2017. Please confirm the Contract Start Date of July 1 is Implementation Start Date; Go – Live claim processing date is January 1, 2018.  |
| A8 |  |  | The Contract Start Date of July 1, 2017 will coincide with the implementation start date for the 2018 plan year. Actual claims processing will start on January 1, 2018.  |
| Q9 | RFP Section 1.9 and Exhibit 1 | 161 | Please confirm whether the contract start date is July 1, 2017 or January 1, 2018.  |
| A9 |  |  | See A8 above. |
| Q10 | RFP Section 1.9 | 16 | The deadline for Proposer Questions is 12/9. Will there be any consideration for follow-up questions after the addendum is issued on 1/4? |
| A10 |  |  |  Questions pertaining to RFP Section 8 – Cost, Data Utilization and Network Submission Requirements, and associated Attachments, can be submitted for response via email to ETFSMBProcurement@etf.wi.gov; include ETG0013 in the subject line. However, at this time there will be no further opportunity to submit questions pertaining to the other sections, tables, exhibits, appendices or forms of the RFP. Proposers are prohibited from contacting any person other than the individual listed in Section 1.4 of the RFP. Violation of this requirement may result in the Proposer being disqualified from further consideration. |
| Q11 | RFP Section 1.9 | 16 | Please explain the difference / intent of a contract start date of 7/1/17 and an effective date of 1/1/18? Is this calendar year vs. benefit year?  |
| A11 |  |  | See A8 above. |
| Q12 | RFP Section 1.14Retention of Rights | 17 | Alternative Language:All information and materials contained in this proposal response are confidential and proprietary to PBM and may only be used by the State and its agents (including consultants) for the purpose of evaluating the eligibility of PBM as a vendor under the Proposal. PBM acknowledges that the proposal response and related items submitted by PROPOSER as part of its response will be retained by the State and not returned to PBM. The proposal response and materials shall be maintained as confidential by the State and its agents (including consultants) and may not be distributed, copied, or made available for review or use by any other party without PBM’s consent.[*Explanation: The proposal response contains information that is highly confidential to PBM, including but not limited to pricing information, service details, and business operations. The sharing and use of this information without restriction would harm PBM and hamper its ability to offer competitive pricing and services. PBM does understand that the materials it submits as part of the Proposal response should be retained in the State’s RFP file for legal and business reasons, and also acknowledges that the State may need to share this information with consultants and other agents that the State may use to evaluate the RFP responses. The proposed language reflects these issues and concerns.*] Is this acceptable to the State? |
| A12 |  |  | The above language is not acceptable to the State. Proposers may designate information as confidential and proprietary if such information qualifies as a trade secret as provided in Wis. Stat. 19.36(5), or is otherwise material that can be kept confidential under the Wisconsin Open Records Law. Please use DOA-3027 Form E – ETG0013 Designation of Confidential and Proprietary Information. See also the definition of Confidential Information on page 11 of the RFP. |
| Q13 | RFP Section2.4 Proposal Organization and Format | 19 | Please define promotional materials as outlined in the following:Only provide promotional materials if they are relevant to a specific requirement of this RFP. If provided, all materials must be included with the response to the relevant requirement and clearly identified as “promotional materials.” |
| A13 |  |  | Promotional materials are those materials intended to endorse or support a program or product. In the context of Section 2.4, promotional materials must be relevant to the GHIP and WPE programs’ members, benefits and processes as outlined in the RFP and all associated documents. |
| Q14 | RFP Section 2.4 | 19 | Clarify if the preference is for proposal responses to be single or double sided. |
| A14 |  |  | The preference is for double-sided Proposal responses.  |
| Q15 | RFP Section 2.4, TAB 2 | 20-21 | Under the “Response to Sections 6 (GENERAL QUESTIONNARE) and 7 (TECHNICAL QUESTIONNAIRE)” should the list include the “Sample Member Engagement Materials (see Section 7.17)? The revised list would reflect the following:After the responses to Sections 6 and 7, provide the following in the following order:* Two (2) Audited Financial Statements (see Section 6.1.9)
* Account Manager Resume (see Section 6.2.1)
* Key Staff Organizational Chart (see Section 6.2.2)
* Detailed Implementation Plan (see Section 6.4.1)
* Sample Formulary Change Notification/Educational Materials (see Section 7.1.5)
* Sample Member Engagement Materials (see Section 7.1.7)
* Sample of Participating Pharmacy Contract (see Section 7.2.3) Credentialing Worksheet (see Section 7.2.3)
* Sample Mail Order Marketing/Communications Plan (see Section 7.2.4)
* Sample Provider Communications Documents (see Section 7.2.5)
* Trend Reports (see Section 7.5.2)
* Medicare Part D EGWP Member Materials (see Section 7.7.1)
 |
| A15 |  |  | Please include an example of such member communication as requested in Section 7.1.7 in Tab 2 of your Proposal. The order above, adding “Sample Member Engagement Materials (see Section 7.1.7)” is acceptable.  |
| Q16 | RFP Section 2.4 | 20 | Confirm that the “tab description” is what is stated in the proposal document in bold (i.e., Tab 1: General Information and Forms). Is it ETF’s desire that also included with the description is the name of each document provided in each tab (i.e., Tab 1: transmittal letter, form A, form B, etc.)? |
| A16 |  |  | “TAB description” refers to the wording after each TAB number noted in Section 2.4 of the RFP, i.e. TAB 1 - General Information and Forms, TAB 2 - Response to Sections 6 (GENERAL QUESTIONNARE) and 7 (TECHNICAL QUESTIONNAIRE); and TAB 3 - Assumptions and Exceptions. It would be helpful to ETF if Proposers’ Table of Contents included a list of every document that is provided within each TAB. |
| Q19 | RFP Section 2.4 | 20 | Does the ETF require that the proposal is consecutively numbered? |
| A19 |  |  | There isn’t a requirement that the entire Proposal be consecutively numbered; however, please consecutively number where possible, e.g. all of TAB 2 – Response to Sections 6 (GENERAL QUESTIONNARE) and 7 (TECHNICAL QUESTIONNAIRE, and TAB 3 – Assumptions and Exceptions.  |
| Q20 | RFP Section 2.4 | 20 | Please confirm that slip sheets can be used to delineate each required document per tab. |
| A20 |  |  | Please use tabbed sheets so evaluators can locate the different tabbed sections easily. Proposers may use slip sheets (un-tabbed color paper to delineate each document within each TAB.  |
| Q21 | RFP Section 2.4and 6.1.9 | 2029 | In the event the PBM is a privately-held corporation, please confirm that audited financial statements may be submitted upon selection as a finalist. |
| A21 |  |  | Privately held businesses may submit financials to: Cindy Klimke-Armatoski, CPAChief Trust Financial OfficerWI Department of Employee Trust FundsP.O. Box 7931Madison, WI 53707-7931cindy.klimke@etf.wi.govIf a Proposer submits financials to the above ETF contact, Proposer shall so indicate this by including a note in TAB 2 of its Proposal where the statements should be included. Financial statements submitted in the above manner shall be sent by the Proposer on or prior to the Proposal Due Date specified in Section 1.9 of the RFP, Calendar of Events. Late submissions will not be accepted. To be considered a complete Proposal, and scored as a part of the RFP, Proposers must submit all documents, including audited financial statements, in the format described under Section 2.4 of the RFP, Proposal Organization and Format.  |
| Q22 | RFP Section 2.4 | 20 | Confirm that responses can be submitted in Proposer’s preferred template so long as a) all questions are restated with written responses directly below and b) typed on 8.5x11” paper |
| A22 |  |  | All Proposers must adhere to the Proposal formatting and organization specified in Section 2.4 of the RFP. |
| Q23 | RFP Section 2.4 TAB 2 | 20-21 | Under the “Response to Sections 6 (GENERAL QUESTIONNARE) and 7 (TECHNICAL QUESTIONNAIRE)” should the list include the “Sample Member Engagement Materials (see Section 7.17) and the examples of reports or materials related to meeting Customer Care performance standard requirements (see Section 6.3.1)? The revised list would reflect the following:After the responses to Sections 6 and 7, provide the following in the following order:* Two (2) Audited Financial Statements (see Section 6.1.9)
* Account Manager Resume (see Section 6.2.1)
* Key Staff Organizational Chart (see Section 6.2.2)
* Sample Customer Care Performance Reports (see Section 6.3.1)
* Detailed Implementation Plan (see Section 6.4.1)
* Sample Formulary Change Notification/Educational Materials (see Section 7.1.5)
* Sample Member Engagement Materials (see Section 7.1.7)
* Sample of Participating Pharmacy Contract (see Section 7.2.3) Credentialing Worksheet (see Section 7.2.3)
* Sample Mail Order Marketing/Communications Plan (see Section 7.2.4)
* Sample Provider Communications Documents (see Section 7.2.5)
* Trend Reports (see Section 7.5.2)
* Medicare Part D EGWP Member Materials (see Section 7.7.1)
 |
| A23 |  |  | Please include “Sample Customer Care Performance Reports” as requested in Section 6.3.1 of the RFP in Tab 2 of your Proposal. The order above is acceptable. |
| Q24 | RFP Section 2.4 TAB 3 Table 6 | 2122-23 | While the instructions preceding Table 6 indicate any assumptions or exceptions may be grounds for automatic termination, the instructions on page 27 under Section 5 Program Specifications seem to conflict. Will all vendors be required to comply with the contractual items referenced in Table 6 without exception?  |
| A24 |  |  | Yes. All vendors will be required to comply with all the items listed in Table 6. There actually is no conflict with the instructions on page 27 under Section 5 of the RFP. Section 5 indicates what a Proposer can do if it cannot agree to certain items in the RFP and refers to TAB 3 in Section 2.4 of the RFP (Assumptions and Exceptions). That is where the Proposer finds instructions for stating its assumptions and exceptions to the various parts of the RFP (see pages 21-22). Then, on page 22 the Proposer is informed about “Supplemental Information-IMPORTANT”. A statement appears there indicating the Department will not allow any assumptions or exceptions to the items listed in Table 6. |
| Q25 | RFP Section 2.4, TAB 3, Table 6 | 22 | Please confirm that the non-negotiable section of Exhibit 1, section 315 includes only the text following the heading “315 Performance Standards and Penalties” until the subheading 315A. Stated differently, please confirm that assumptions and exceptions can be proposed to the individual performance standards, if necessary. |
| A25 |  |  | The Table 6 reference (Section 2.4 of the RFP) to Section 315 means all of Section 315, which includes 315, 315A, 315B, 315C, 315D, 315E, 315F and 315G. Proposers may provide additional performance standards but those listed in Exhibit 1 are required. Also refer to Section 150B of Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement, which is also included in Table 6. |
| Q26 | RFP Section 2.4 | 22 | RFP Section 2.4, Supplemental Information, page 22 states that proposals will be rejected for any assumption or exception to the list of sections in Table 6.  This language leaves no discretion for the State to consider changes to minor items, while receiving proposals that provide superior value in other respects.  For example, in Item 2 regarding Exhibit 1 Sections 150B and 315 Performance Standards, and Item 18 regarding Exhibit 4 Business Associate Agreement, there are some items in which our processes may not strictly conform to the details of the requirements, and it may be prohibitively expensive to modify our book of business processes to meet the specific standard.  For other items on this list, such as Item 8 regarding Exhibit 1 Section 400, the information in this section appears to be mostly inapplicable to pharmacy benefits and we would want clarify the sections that do not apply. If the State will automatically disqualify a proposal for any deviation in RFP Table 6, we may need to decline to bid if we think that we cannot agree to every word of these detailed requirements. Please clarify whether this provision means the State may or may not disqualify bidders for deviations or explanations in these sections, or whether any change or comment at all on these portions must result in disqualification. |
| A26 |  |  | As noted in the question above, the paragraph immediately above Table 6 states that no assumptions or exceptions will be allowed regarding the items listed in Table 6. That paragraph further states any Proposal that includes such assumptions or exceptions will be rejected. |
| Q27 | RFP Section 4, Mandatory Proposer Qualifications  | 27 | 4.5 asks, in part, if proposer has been involved in any litigation alleging breach of contract, fraud, breach of fiduciary duty or other willful or negligent misconduct and then goes on to indicate that proposer should provide details of any pertinent judgment, criminal conviction, investigation or litigation pending against the Proposer.  Please clarify what information the State would like disclosed, including: (i) Is the State solely seeking litigation matters or is the State is also looking for judgments and investigations; (ii) what is the time period for which the State is seeking such information?  Is the State seeking any other specific information? |
| A27 |  |  | Section 4.5 of the RFP provides “[d]uring the past five (5) years, the proposer must not have been in bankruptcy or receivership or been involved with any litigation alleging breach of contract, fraud, breach of fiduciary duty or other willful or negligent misconduct.” If the Proposer’s response is “Disagree”, the Proposer must “provide details of any pertinent judgment, criminal conviction, investigation or litigation pending against the Proposer.” ETF has no other clarification to offer. |
| Q28 | RFP Section 6 | 27 | Please identify where any additional requested examples and/or materials not covered in Section 2.4, page 20 & 21 should be included in the proposal response |
| A28 |  |  | Please include such examples/materials in TAB 2 of your Proposal. |
| Q29 | RFP Section 6.1, Experience | 29 | 6.1.8 asks proposers to disclose any potential mergers or acquisitions that have been recently discussed by senior officials, and could potentially take place within the next three (3) years after the Contract start date. Due to confidentiality constraints, proposer may be unable to disclose potential mergers and acquisition that have not yet been announced to its shareholders and/or to the public. Please clarify how the State would like proposer to adequately address this question in those cases where the information is not able to be disclosed at this time. |
| A29 |  |  | ETF expects each Proposer to be as direct and forthcoming in responding to Section 6.1.8 as they are in responding to any other section of the RFP, while recognizing the current confidentiality constraints applicable to Section 6.1.8. ETF would expect that a Proposer address in their response such things as: whether the Proposer anticipates making any organizational or operational changes in the next three (3) years that would negatively impact the services requested in the RFP or the level of service provided to ETF; whether the Proposer conducts ongoing discussions with various potential partners which are subject to confidentiality and cannot be discussed; whether, should any purchase or merger occur, the Proposer anticipates that the transaction would impact the services requested in the RFP; and whether the Proposer is prepared to provide any additional information in response to Section 6.1.8 should events warrant providing ETF with additional information. |
| Q30 | Section 6.1.9 | 29 | Submit your company’s audited financial statements for the two (2) most recent fiscal years including the audit opinion, balance sheet, statement of operations, and notes to the financial statements. Provide in format described in Section 2.4 Proposal Organization and Format, as a part of Tab 2.Q: As a privately held corporation, this is highly confidential information; we provide audited financial statements to a designated CFO directly—not within proposals.If the State provides us with a direct contact we can provide a sealed, confidential envelope with the required content. Is this acceptable to the State? If so, please provide the direct contact for this part of the RFP proposal submission. Thank you. |
| A30 |  |  | See A21 above.  |
| Q31 | RFP Section 6.2.3 | 30 | Please provide details regarding any PBM staff currently provided to the Department on site (number of staff, position and duties). |
| A31 |  |  | There are currently no PBM staff working on site at ETF. |
| Q32 | RFP Section 6.3 | 30 | There is no section labeled 260C in Exhibit 1 as referenced in the Technical Questionnaire. Please supply the missing language. |
| A32 |  |  | This is an error in Section 6.3.1 of the RFP. The correct reference is 255C. The first sentence of 6.3.1 should read: “Explain how your company plans to meet the customer service requirements as specified in Sections 255C and 315D of Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement.” |
| Q33 | RFP Section 6.3.1 | Page 30 | The Section 260C cited in this question does not seem to be in the Exhibit 1 – Pro Forma Contract, can the State please provide? |
| A33 |  |  | See A32 above.  |
| Q34 | RFP Section 6.3, 6.3.1 | 30 | The reference to Section 260C of the Pro Forma State of Wisconsin Pharmacy Benefit Program Agreement (see Exhibit 1) appears to be incorrect. Please confirm the correct section is 255C of the Pro Forma State of Wisconsin Pharmacy Benefit Program Agreement. |
| A34 |  |  | See A32 above. |
| Q35 | RFP Sections 6.3.16.4.1and Exhibit 1, Section 310B, 7 | 303177 | These items reference Exhibit 1 sections 260C, 260 and 260C, respectively, which do not appear in the provided Exhibit 1 Pro Forma State of Wisconsin Pharmacy Benefit Program Agreement. Please identify which sections of Exhibit 1 Pro Forma State of Wisconsin Pharmacy Benefit Program Agreement should be referenced in place of the stated areas and/or provide the sections that have been omitted.  |
| A35 |  |  | See A32 above. Also, this is an error in Section 6.4.1 of the RFP. The correct reference is 255A. The last sentence of Section 6.4.1 should read: “Refer to Sections 255A and 315A of Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement.”  |
| Q36 | RFP Sections 6.3 and 6.4.1 | 30- 31 | RFP sections 6.3 and 6.4.1 refer to Exhibit 1 Section 260.  There is no Section 260 in Exhibit 1.  A link in 6.4.1 leads to Section 255D.  Please confirm that all references to Section 260 should be to Section 255, or clarify each reference to Section 260. |
| A36 |  |  | See A32 and A35 above. |
| Q37 | RFP Section 6.4.1 | Page 31 | The Section 260 does not seem to be in Exhibit 1 – can the State please provide or clarify what is needed in detailed implementation plan? |
| A37 |  |  | See A35 above. |
| Q38 | RFP Section 6.4 | 31 | There is no section labeled 260 in Exhibit 1 as referenced in this question. Please supply the missing language.  |
| A38 |  |  | See A35 above. |
| Q39 | RFP Section 6.4, 6.4.1 | 31 | The reference to Section 260 of the Pro Forma State of Wisconsin Pharmacy Benefit Program Agreement (see Exhibit 1) appears to be incorrect. Please confirm the correct section is 255A of the Pro Forma State of Wisconsin Pharmacy Benefit Program Agreement. |
| A39 |  |  | See A35 above.  |
| Q40 | RFP Sections 6 and 7  | Page 28 | In order to keep the formatting requested for the State, would the State allow the addition of a row below each question to answer the question and any bullets, etc. within?  |
| A40 |  |  | Yes. |
| Q41 | RFP Section 7.1, Formulary Design & Management | 36 | Please provide a listing of current UMs (Step Therapy, Prior Authorization and Quantity Limits) at the drug level for commercial and Medicare formularies and populations. This will help in responding to question 7.1.8. |
| A41 |  |  | Both the Commercial and EGWP formularies (Attachments G and H) already include these indicators. The indicator abbreviations are defined in Attachment I Formulary Companion Guide. |
| Q42 | RFP Section 8 | 43 | Is it acceptable for vendors to reach out to the appointed contact at Segal Consulting throughout the bid process? |
| A42 |  |  | See A10 above.  |
| Q43 | RFP Section 8 | 43 | The data for section 8 will not be released until after the NDA is received on 12/9. If there are issues with the data, will there be opportunity to ask clarifying questions about that data beyond the deadline of 12/9 for proposer questions? |
| A43 |  |  | See A10 above.  |
| Q44 | RFP Section 8.1 | 44 | Section 8.1 of the RFP states that bidders must complete Form E – Designation of Confidential and Proprietary Information before census and utilization files will be released.  Is it acceptable to submit a partially completed Form E as page numbers for the project have not yet been determined? I am unclear as to how we can provide this information before we complete the RFP. |
| A44 |  |  | This is an error in both Sections 8.1 and 8.2 of the RFP. Form E is not required to receive the files specified from Segal. FORM E should be submitted with your Proposal under Tab 1.  |
| Q45 | RFP Section 8.1 | 44 | Typically, the incumbent PBM is not required to complete a pharmacy disruption report because there would be no disruption experienced. Is the incumbent required to submit a disruption report for the current network? |
| A45 |  |  | The incumbent should submit a disruption report; if no changes are proposed, disruption would presumably be minimal/nonexistent. |
| Q46 | RFP Section 8.1 | 44 | Please confirm that the table indicated in this section can be copied and supplied on a document inclusive of Proposer’s letterhead so long as no material changes have been made to the table itself. Please also confirm that this table shall be included with the GeoAccess Network Accessibility Report as its own worksheet within the Excel document.Further, please confirm whether or not this must be completed for the commercial and EGWP populations. |
| A46 |  |  | No, Proposers must provide the GeoAccess Network Accessibility Report to Segal in Excel format. Yes, the table in Section 8.1 of the RFP should be included with the GeoAccess Network Accessibility Report. Proposers must use the access standards listed in the table, and the Census File provided by Segal to complete the Report. Yes, Proposers may include the table in a separate tab within the Excel document containing the GeoAccess Network Accessibility Report.Yes, the GeoAccess Network Accessibility Report must be completed for both the commercial and EGWP populations. |
| Q47 | RFP Section 8.1 | 44 | Please indicate in what format the National Network Description should be submitted.  |
| A47 |  |  | The National Network Description can be submitted in any format that allows for the description requested; i.e. Word, Excel, PDF, etc. |
| Q48 | RFP Section 8.2 | 45 | Typically, the incumbent PBM is not required to complete a claims repricing based on the current formulary and network. Is a claims repricing of the current network and formulary required by the incumbent? |
| A48 |  |  | The incumbent should submit claims pricing of the current network and formulary, or any proposed changes in order to be fairly evaluated amongst all Proposers. |
| Q49 | RFP Section 8.2 | 45 | The second paragraph indicates drug claim files will be released “Once the Proposer’s letter of intent, FORM F Non-Disclosure Agreement and FORM E Designation of Confidential and Proprietary Information are signed and submitted by the Proposer to ETF.” Section 2.4, indicates Form E should be submitted with our response under Tab 1.Are Proposers required to submit the form twice? Once on December 9th to receive data and a revised copy with the proposal submission?  |
| A49 |  |  | See A44 above. |
| Q50 | RFP Section 8 |  | In order to run pricing models the underwriters need DOB (or age), gender, and zip code on the census. Out of these the census only contains zip code. Is it possible to get DOB and the gender on the census? |
| A50 |  |  | Everything necessary to run the pricing models has been provided in the claims files. DOB and gender will not be added to the census. |
| Q51 | RFP Section 8 |  | The MailRetailIn in the claims data only contains the values ‘Ret’ and ‘R90’ however the Appendix 9 statistics show they had over 97k mail order and 13k specialty pharmacy claims for 2015. We assume that these are the retail and retail 90 indicators. There are no mail or specialty pharmacy indicators in the data. Can you please provide the NPIs for the mail order and the preferred specialty pharmacies so that we can identify those claims? |
| A51 |  |  | NPI numbers of the preferred mail order and preferred specialty pharmacy will be provided with the Claim Files by Segal.  |
| Q52 | Exhibit 1 Section 115, #12 | 14 | Please provide specific references to insurance statutes regarding mandated or minimum benefits applicable to PBM or benefits required by the BOARD. |
| A52 |  |  | This provision is included to ensure the selected Contractor will comply with all mandates of State and federal laws/rules/ regulations and with all mandates established by the Group Insurance Board. Specific examples include adherence to PPACA, Oral Oncology Limits, and federal non-discrimination testing requirements. Also please refer to Section 400 – Uniform Benefits in Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement for current benefit structure as approved by the Group Insurance Board. |
| Q53 | Exhibit 1 Section 130A | 22-25 | Please provide Section 130A in its entirety from Exhibit 1? It seems as though words are missing within this section? |
| A53 |  |  | ETF assumes you are referring to Section 130A, #3 Failure to Make Funds Available, in Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement, which has been removed. |
| Q54 | Exhibit 1 |  | PBM will provide one MAC list across all channels per Exhibit 1. MAC unit price may vary for retail network pharmacies that have a negotiated generic effective rate cap. Please confirm this arrangement is acceptable. If it is not, please provide detailed requirements for all Vendors to follow. |
| A54 |  |  | ETF assumes the requirement being referred to above is in Section 130A - Financial Provisions of Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement (pages 22-23). The intent of the requirement is that the Contractor shall utilize the same MAC list across all distribution channels. Variability between negotiated rates with retail network pharmacies is acceptable. |
| Q55 | Exhibit 1 Section 130A #3 | 24 | The following language appears to be incomplete or missing information. Can you please clarify the intent of this contract provision? 3)  Failure to Make Funds Available.a)  In the event that for any reason the DEPARTMENT fails to make funds available to pay claims for COVERED PRODUCTS or has failed to pay fees to the CONTRACTOR and the DEPARTMENT fails to provide the required funds within one (1) business day after notice of the need to provide such funds.b)  In the event that the DEPARTMENT has at any time failed to make funds available to pay claims for COVERED PRODUCTS or has failed to pay fees to the CONTRACTOR, in addition to any other remedies. |
| A55 |  |  | See A53 above. |
| Q56 | Exhibit 1 Section 150A, #8 | 37 | Please clarify requirement to promptly purge and update files according to BOARD guidelines.  |
| A56 |  |  | Section 150A #8 has been deleted from Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement.  |
| Q57 | Exhibit 1 Section 150A #9 | 37 | Please clarify requirement or provide examples of working with Board on budget and policy implementation |
| A57 |  |  | Policy and budget changes that are enacted either by the Board or acts of legislation shall be implemented cooperatively by the Contractor and the Department. For instance, budget requests from the state budget office may require requests for data on short notice. The Contractor would be expected to work cooperatively with the Department, on behalf of the Board, to ensure the state budget office received the information in a timely manner. Likewise, legislation may require the Board to adopt a policy that makes extensive changes to the Pharmacy Benefit Plan and again, the Contractor will be expected to partner with the Department to ensure the policy is implemented effectively and in a timely manner. |
| Q58 | Exhibit 1, section 150B | 37 | Please indicate, in the most recent 12 months, what performance guarantee penalties have not been met and resulted in requirement of the current contractor to pay the stated penalty.  |
| A58 |  |  | Information regarding the current PBM’s performance is neither needed nor required for a Proposer to complete and submit a Proposal. |
| Q59 | Exhibit 1  | 37 | 150B Performance Standards and PenaltiesWritten notification of each failure to meet a performance standard that is listed in Section 315 will be given to the CONTRACTOR prior to assessing penalties. Upon notification by the DEPARTMENT, the CONTRACTOR will have five (5) BUSINESS DAYS to cure the failure, or if agreed to by the DEPARTMENT, to provide an action plan of how the failure will be cured. Additional DAYS can be approved by the DEPARTMENT Program Manager if deemed necessary. If the failure is not resolved within this warning/cure period, penalties may be imposed retroactively to the date of failure to perform. The imposition of penalties is not in lieu of any other remedy available to the DEPARTMENT/BOARD.The DEPARTMENT shall be the sole determinant as to whether or not the CONTRACTOR meets a performance standard.**Q:** PBM’s standard performance measurement process includes reporting for each performance guarantee standard. Does the WI ETF have a different protocol in place based upon the information provided in 150B? If yes, please describe the protocol in place?  |
| A59 |  |  | This section refers specifically to the contract performance standards listed in Section 315 of Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement. The Department monitors for achievement of these standards and will determine whether each standard has been met. The Contractor will be required to monitor its performance and report this back to the Department quarterly. The Contractor must maintain and provide records and reports that accurately reflect its performance. The Department will solicit input from the Contractor to determine appropriate records and reports that will be maintained and provided by the Contractor as part of its performance measurement process, which will allow the Department to objectively evaluate the Contractor’s performance.  |
| Q60 | Exhibit 1, Section 150B, Performance Standards and Penalties | 39 | With regards to number 4, the DEPARTMENT shall be the sole determinant as to whether or not the CONTRACTOR meets a performance standard. Please provide additional detail around what factors would go into determination of meeting performance standards by the State. |
| A60 |  |  | The Department will review and evaluate the Contractor’s required data reporting to confirm whether the Contractor has met the performance standards. In addition, the Department may request additional information from the Contractor if the data provided is not sufficient. |
| Q61 | Exhibit 1, Sections 150F and 315E – 4 Exhibit 4 Section 22 (l) (1) | 42, 8527 | Please confirm what the timeline required for breach notification is as Exhibit 1 states 1 business day of discovery that PHI and/or PII has been breached, and Exhibit 4 states 24 hours. |
| A61 |  |  | The timeline required for breach notification is twenty-four (24) hours. Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement has been changed to reflect the correct time period.  |
| Q62 | Exhibit 1 Section 45 | 56 | Exhibit 1, Section 245, Direct Pay Premium Process, refers to “health plans” as having to do this process. PBMs generally do not collect premiums from members directly, because members generally cannot select to have pharmacy coverage without medical coverage.  Please confirm that this section does not apply to the PBM vendor.  |
| A62 |  |  | Correct, the health plan will collect premiums from direct pay subscribers. Section 245 is for informational purposes to ensure Proposers’ understanding and to highlight that claims overpayments may occur as a result of retroactive direct pay terminations. |
| Q63 | Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement (throughout document) | 70-73 | Several of the Section numbers referenced appear to be incorrect throughout the document. Some examples include:* Section 305 Reporting Requirements Table, number 11) Fraud and Abuse Review includes reference (See Section 155F.2.). The correct section number appears to be 150E.
* Section 305 Reporting Requirements Table, number 13) Pilot Programs and Initiatives includes reference (See Section 150A.5.). It appears the correct section is 220.3.
* Section 310B Deliverables to Participants, number 7) includes reference to (see Section 260C). It appears the correct section is 250B.
* 310A Deliverables to the Department, number 1) includes reference to (see Section 265A). It appears the correct section is 255A.
 |
| A63 |  |  | The above references were revised in Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement. |
| Q64 | Exhibit 1 – Contract Section 305 (.pdf) | 72 | The CONTRACTOR performs annual nondiscrimination testing and submits the results to the DEPARTMENT. (See Section 150C)Q: Please provide details regarding 305 Reporting Requirement, #19 Non Discrimination Testing Results Report. What type of Non Discrimination Testing is this reporting requirement referring to? Please provide the specific language or compliance parameters.  |
| A64 |  |  | See Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement, Section 150C for IRS code reference. |
| Q65 | Exhibit 1 Section 310B Deliverables to Participants 3) Subscriber Notification of Changes | 76 | Are the Subscriber Notification Changes meant for the health plans to provide notice of physicians, clinics, and hospitals that will not be part of the network; or is ETF truly asking for the PBM to send out notice of specific pharmacies that will not be part of the network. |
| A65 |  |  | No. See revised language in Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement. |
| Q66 | Exhibit 1 Section 310B Deliverables to Participants4) Participant Notification of Terminated Provider Agreement | 77 | It is our understanding that the Participant Notification of Terminated Provider Agreement specifically applies to the medical plan providers, not PBM. Please confirm. |
| A66 |  |  | See revised language in Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement. |
| Q67 | Exhibit 1 Section 310B Deliverables to Participants 7) Subscriber Notification Upon Termination of Employment | 77 | The PBM receives all eligibility directly from ETF; therefore, we assume the Subscriber Notification Upon Termination of Employment applies to the health plan, not the PBM. Please confirm.  |
| A67 |  |  | 310B #7 was removed from Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement. |
| Q68 | Exhibit 1 Section 310B Deliverables to Participants 8) Assignment of Primary Care Provider (PCP) | 77 | We understand the Assignment of Primary Care Provider (PCP) applies to the health plan, not the PBM. Please confirm. |
| A68 |  |  | 310B #8 was removed from Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement. |
| Q69 | Exhibit 1 Section 310B Deliverables to Participants 9) Summary of Benefits and Coverage | 77 | Assumption: The majority of the Summary of Benefits and Coverage (SBC) is medical/health plan related. The plan sponsor typically provides this information. The PBM provides support of the pharmacy benefit plan materials for the SBC.  |
| A69 |  |  | 310B #9 was removed from Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement. |
| Q70 | Exhibit 1 | 78 | Performance standards are specific to data from the HEALTH BENEFIT PROGRAM, not general data from the CONTRACTOR’S book-of-business. The CONTRACTOR must track performance using the template provided by the DEPARTMENT. The CONTRACTOR must submit reports and supporting documentation for validation as mutually agreed upon with the DEPARTMENT. The CONTRACTOR shall notify the DEPARTMENT upon realization that a standard will not be met, prior to the deadline.**Q:** Can the State provide the template format noted in the above paragraph?  |
| A70 |  |  | The template is not yet available. The Department will solicit feedback from the Contractor in developing the template to be used. |
| Q71 | Exhibit 1 | 78 | Performance standards are specific to data from the HEALTH BENEFIT PROGRAM, not general data from the CONTRACTOR’S book-of-business. The CONTRACTOR must track performance using the template provided by the DEPARTMENT. The CONTRACTOR must submit reports and supporting documentation for validation as mutually agreed upon with the DEPARTMENT. The CONTRACTOR shall notify the DEPARTMENT upon realization that a standard will not be met, prior to the deadline.**Q:** Please provide examples of the reports/supporting documentation for validation that are to be provided.  |
| A71 |  |  | See A59 above. |
| Q72 | Exhibit 1 | 78 | Performance standards are specific to data from the HEALTH BENEFIT PROGRAM, not general data from the CONTRACTOR’S book-of-business. The CONTRACTOR must track performance using the template provided by the DEPARTMENT. The CONTRACTOR must submit reports and supporting documentation for validation as mutually agreed upon with the DEPARTMENT. The CONTRACTOR shall notify the DEPARTMENT upon realization that a standard will not be met, prior to the deadline.**Q:** What is the WI ETF’s current experience with Contractor notification upon realization that a standard will not be met, prior to the deadline? Can you elaborate on the format of notification? Can you provide any applicable reporting standards for notification that a standard may not be met?  |
| A72 |  |  | See A59 above. |
| Q73 | Exhibit 1 Section 310B Deliverables to Participants 10) 1095-C  | 78 | Assumption: We understand these requirements to be specifically related to medical insurance coverage (which Rx is included) at the employer level. We assume this was a request to the health plans, not the PBM, for assistance with these. |
| A73 |  |  | 310B #10 was removed from Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement. |
| Q74 | Exhibit 1 Section 315 | 78 | Exhibit I Section 315 specifies PG penalties as a percentage of administrative fees.  Is this to be calculated on the base administrative fee alone, or on total administrative fees including fees for optional clinical programs that the State elects to implement and/or fees for EGWP administration? |
| A74 |  |  | Section 315 Performance Standards and Penalties states in part, “…The penalties assessed shall not exceed twenty-five (25%) percent of the CONTRACTOR’s **total administrative fee** in any given quarter.” [emphasis added]. The phrase “total administrative fee” means the base administrative fee plus any additional administrative fees including, but not limited to, fees for clinical programs and the EGWP program. |
| Q75 | Exhibit 1, Section 315, Performance Standards and Penalties | 78 | Please clarify if penalties are based are admin fees or life count. The 2nd paragraph states: "After implementation, all performance standards will be measured by the DEPARTMENT on a QUARTERLY basis and assessed based on PARTICIPANT counts as of the first calendar DAY of the quarter, as determined by DEPARTMENT enrollment records." |
| A75 |   |   | Penalties are based on the Participant counts as of the first day of the quarter as indicated. The limitation on how high the penalties can accumulate is based on the administrative fees as indicated in Section 315 Performance Standards and Penalties, which states in part, “…The **penalties assessed shall not exceed** twenty-five (25%) percent of the CONTRACTOR’s **total administrative fee** in any given quarter.” [emphasis added]. |
| Q76 | Exhibit 1, Section 315A, Implementation | 79 | Item 9 references Section 2565A which does not exist. Please confirm the appropriate Section is 255A. |
| A76 |   |   | Exhibit 1, Section 315A, Item 9 should read “…See Section 255A.” Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement has been updated with the correct reference. |
| Q77 | Exhibit 1, Section 315B, Account Management | 80 | For Item 1, please clarify if the satisfaction surveys are to be measured quarterly or annually. Please clarify if penalty is based on the aggregate survey performance or the individual surveys. |
| A77 |   |   | The initial expectation is that surveys identified in Sections 315B 1) and 315D 6) regarding Contractor performance will be conducted and measured on a quarterly basis. Penalties may be based on the aggregate of the survey responses received in a given quarter; however, the Department reserves the right to waive a penalty in a given quarter if circumstances warrant such an action. The Department will solicit feedback from the selected Contractor in developing specific guidelines. |
| Q78 | Exhibit 1, Section 315B, Account Management | 80 | Items 1 and 2 reference Section 265B and 265D which do not exist. Please confirm the appropriate Sections are 255B and 255D. Item 2 references Section 140A, please confirm that 140A is indeed the correct section or if it should be 135A. |
| A78 |   |   | The correct reference is 135A. Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement has been updated with the correct reference. |
| Q79 | Exhibit 1, Section 315 C – Claims Processing | 81 | 6) Claims Processing System Availability – Please confirm that this total does not include planned downtime which is communicated in advance. Statistics are currently only tracked for unplanned downtime.  |
| A79 |  |  | The Performance standard for Section 215C 6) Claims Processing System Availability includes downtime for system maintenance, irrespective of whether it is planned or unplanned. One percent (1%) downtime equates to 87.6 hours in a given year.  |
| Q80 | Exhibit 1, Section 315 C – Claims Processing | 81 | 2) Processing Accuracy – Please confirm that the standard is ninety seven percent. The written number is different from the number in parentheses.  |
| A80 |  |  | The correct percentage is 99.5%. Section 315C #2 in Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement has been changed to reflect the correct percentage. |
| Q81 | Exhibit 1, section 315C 2 | 81 | Please confirm if the intended percent level of processing accuracy is 97% written out or 99.5% as numerically stated. |
| A81 |  |  | See A80 above. |
| Q82 | Exhibit 1, Section 315C, Claims Processing | 81 | For Item 5, please clarify if guarantee is related to direct member reimbursement claims or point of sale claims. |
| A82 |   |   | Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement Section 315C Item 5, Claims Processing Time, has been updated to read:“At least ninety-nine and one-half percent (99.5%) of the time claims are paid (including reversals and adjustments) in accordance with the pharmacy contract reimbursement provisions effective at the time the claim is adjudicated. See Section 230.” |
| Q83 | Exhibit 1 Section 315C #2 | 81 | Please clarify Processing Accuracy for PG 315C #2, as there is a discrepancy between the written and numerical values:  “At least ninety-seven (99.5%) percent level of processing accuracy.”  |
| A83 |  |  | See A80 above.  |
| Q84 | Exhibit 1, Section 315D, Customer Service | 82 | For Item 6 , how does this Key Stakeholder Satisfaction survey differ from the Contractor Services satisfaction survey listed on page 80, Section 315B, item 1? If different, please indicate frequency of survey (annually, quarterly). |
| A84 |   |   | The Contractor Services satisfaction survey (315B) will measure Contractor’s performance from an account management perspective based on provisions in Section 255B. The Key Stakeholder Satisfaction survey (315D) will measure Contractor’s performance from a customer service perspective based on provisions in Section 255C. Sections 315B and 315D have been updated in Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement, to reflect the differences. |
| Q85 | Exhibit 1 Section 315G #4 | 84 | Please provide a copy of the Department’s current CAHPS survey questioner. Please also provide a copy of the most current survey results, to be provided to assist PBM in evaluation of this particular PG and any underwriting requirements. |
| A85 |  |  | #4 was removed from Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement. |
| Q86 | Exhibit 1 Section 315F Eligibility/Enrollment 5) Direct Pay Terminations | 84 | We believe the Direct Pay Terminations performance standard applies to the medical/health plan, not the PBM. The PBM does not manage eligibility and premium administration. Please confirm. |
| A86 |  |  | #5 was removed from Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement. |
| Q87 | Exhibit 1, Section 315F, Eligibility/Enrollment | 84 | Item 5 relates to Direct Pay Terminations. Please confirm this item is Not Applicable for the Pharmacy Benefit Program. |
| A87 |   |   | See A86 above. |
| Q88 | Exhibit 1, Section 315G, Other | 84 | Item 1 references Section 155D which does not exist. Confirm the appropriate section is 150D. |
| A88 |   |   | The correct reference is 150D. Section 315G, Item 1 of Exhibit 1 has been updated with the correct reference. |
| Q89 | Exhibit 1, Section 315G, Other | 84 | Item 2 references Section 245C which does not exist. Section 245 pertains to Direct Pay Premium Process. Please confirm if the appropriate section is 235C: Participant Notice |
| A89 |   |   | The correct reference is 235D. Exhibit 1 has been updated with the correct reference. |
| Q90 | Exhibit 1, Section 315G, Other | 84 | Item 3 references Section 145, 8, which is related to Data Integration and Technical Requirements and does not contain an item 8. Please confirm if the correct section to reference is Section 140, item 8. |
| A90 |   |   | The correct reference is Section 140, 8. Exhibit 1 has been updated with the correct reference. |
| Q91 | Exhibit 1, Section 315G, Other | 84 | Item 4 references Section 225 which is related to Pharmacy Network Administration, is this correct? Please clarify if penalty is based on the aggregate survey performance or the individual surveys. |
| A91 |   |   | Section 225, Item 4 has been removed. Exhibit 1 has been updated. |
| Q92 | Exhibit 1, Section 315 G - Other | 84 | 3) Major System Changes and Conversions - To avoid assumptions, please provide scope/examples around what you would consider to be a “major system change” or “conversion.” |
| A92 |  |  | See Section 140 #8 of Exhibit 1. Major system changes and conversions may include, but are not limited to, a change in eligibility management/processing platform or, a change in claims processing platforms. |
| Q93 | Exhibit 1, Section 315G, Other | 85 | Item 5 related to Non-Disclosure references item 19 of Section 115, which is related to American with Disabilities Act. Please confirm if the correct item to reference is number 18. |
| A93 |   |   | The correct reference is Section 115, 18. Exhibit 1 has been updated with the correct reference. |
| Q94 | Exhibit 1, Section 315G, Other | 85 | Item 6 references Section 155A which does not exist. Please confirm if the appropriate section is 150A. |
| A94 |   |   | The correct reference is Section 150A. Exhibit 1 has been updated with the correct reference. |
| Q95 | Exhibit 1, Section 315G, Other | 85 | Items 7 and 8, please clarify if the penalties should be based on percentage point rather than per day. |
| A95 |  |  | The penalty should read as follows: “Twenty-five hundred ($2,500) dollars for each percentage point below the Performance Standard listed, assessed on a monthly basis.” Exhibit 1 has been updated with the correct reference. |
| Q96 | Exhibit 2 Section 6.2 | 1 | “Prices established in continuing agreements and term contracts may be lowered due to general market conditions”.Qu: Please provide details as to how established pricing may be lowered due to general market conditions? PBM conducts market checks with identified approved represented of the State to establish market check price adjustments. Can Exhibit 2 be clarified to add this detail:Market Check. Once during the term of the Agreement, PBM and Client agree to a market check of network rates herein that compares similar clients in terms of size, composition and line of business. The market check compares in the aggregate pricing based on administration (claims processing) fee, network discounts and any products/services that Client has elected. Client shall provide PBM a detailed comparison of each component of the market check in comparison to the guarantees in this Agreement. The market check must indicate a minimum cost difference of three percent (3%) in order to adjust the rates and/or guarantees herein.Is the above acceptable to the State? |
| A96 |  |  | Exhibit 2 - Standard Terms and Conditions (DOA-3054) consists of standard terms and conditions prepared by the Wisconsin Department of Administration (DOA). ETF uses Exhibit 2 in its RFPs and recognizes that not all of the sections in Exhibit 2 are directly applicable to each RFP in their entirety. However, since Exhibit 2 is a DOA document, ETF does not change the language in the sections of that document absent a compelling reason directly applicable to the particular RFP in question. Since ETF does not have any plans to lower prices, ETF cannot provide any details as to how established pricing may be lowered due to general market conditions and cannot agree to add the detail noted in the question above. Notwithstanding the foregoing, the above may be noted in TAB 3 of your Proposal. Exceptions to any RFP terms and conditions (except those listed in Table 6) may be considered during Contract negotiations if it is beneficial to the Department. ETF may or may not consider any of the Proposer’s suggested revisions. (See TAB 3 in Section 2.4 of the RFP). |
| Q97 | Exhibit 2 Section 34 | 3 | Please provide detailed requirements that the awarded PBM is required to comply with regarding Work Center Program requirements (which are described in section 18 of Exhibit 2) so PBM can request (if necessary) updated contract language for the state to consider.The RFP document is not clear or provides reference with detailed expectations of Contracted PBM. Section 34 states: “…implement processes that allow the State agencies, including the University of Wisconsin System, to satisfy the State's obligation to purchase goods and services produced by work centers certified under the State Use Law, s.16.752, Wis. Stat. This shall result in requiring the successful bidder/proposer to include products provided by work centers in its catalog for State agencies and campuses or to block the sale of comparable items to State agencies and campuses.” Please clarify what processes this refers to. Please clarify the expectation of the PBM to include products or services by work center in its catalog. Is the PBM expected to directly subcontract portions of its services provided under the PBM contract with the State to Work Centers in its catalog?  |
| A97 |  |  | Exhibit 2 consists of standard terms and conditions prepared by the Wisconsin Department of Administration (DOA). ETF uses Exhibit 2 in its RFPs and recognizes that not all of the sections in Exhibit 2 are directly applicable to each RFP in their entirety. However, since Exhibit 2 is a DOA document, ETF does not change the language in the sections of that document absent a compelling reason directly applicable to the particular RFP in question. As concerns this RFP, since there are no requirements concerning Work Centers, Section 34 does not apply to Proposers. |
| Q98 | Exhibit 4 – Non-Disclosure Agreement (NDA), and RFP Section 2.3 | 118 | We have signed and supplied the NDA provided. However, the Wisconsin Public Records Law (19.31) assumes that most information is subject to public inspection. Further, the provided NDA states that, “ETF cannot represent or guarantee that any information submitted by the Proposer will be considered confidential under the Public Records Law.”Please confirm that our designated proprietary and confidential information will not be subject to public disclosure.  |
| A98 |  |  | Please see A12 and A118 below. ETF cannot confirm that information a Proposer designates as proprietary and confidential will not be subject to release pursuant to the Wisconsin Public Records Law. ETF can confirm that it will take the action noted in the answers to questions 12 and 118 below, in the NDA and in Form E. |
| Q99 | Attachment F |  | The version of Attachment F downloaded from the Segal shared workspace references ETF 0013 in the filename (not ETG0013) and in the worksheet, it references ETF 0016. Please confirm whether the State prefers we use the version of Attachment F downloaded from the State or the version downloaded from Segal. |
| A99 |  |  | Use Attachment F – RFP ETG0013 Cost Proposal provided by ETF with the original RFP release. Attachment F can be found on VendorNet at <https://vendornet.wi.gov/> and ETF’s extranet <https://etfonline.wi.gov/etf/internet/RFP/PharBeneMgmt16RFP/index.htm> |
| Q100 | Attachment F | Cost Proposal  | One cost proposal is to be based on the current formulary and the other on the proposed formulary. Are we to assume that under the “current commercial formulary” proposal, we will administer the current formulary as outlined in attachment G exactly, or are we to administer a similar formulary based on exclusions? (There are more than one drugs listed as “NC” or “No Coverage”, such as Humalog). |
| A100 |  |  | As stated in Section 8.2 of the RFP, one of the two network pricing quotes required for each of the commercial and EGWP programs will reflect the current formulary. Proposers will use the Repricing Files (Attachments D and E) provided by Segal with the Formularies (Attachments G and H) to complete the cost proposal (Attachment F). In some instances a non-covered drug (NC) may have been covered as an exception under the current formulary and should be repriced accordingly. |
| Q101 | Attachment F – Cost Proposal |  | Please confirm if offers for a limited retail network (1 major chain excluded) will be considered by the State. If the State will consider a limited network to achieve more aggressive discounts, please confirm if it is acceptable to add a Limited Network Pricing Tab to Attachment F to clearly present this option to the State. |
| A101 |  |  | Yes, the State will consider a limited network. Yes, it is acceptable for Proposers to add a Limited Network Pricing Tab to Attachment F; however, if Proposer adds a Limited Network Pricing Tab to Attachment F, Proposer must also include a GeoAccess Network Accessibility report, a National Network Description and a Network Disruption file for the limited retail network as described in Section 8.1. |
| Q102 | Attachment F - Cost Proposal |  | RFP Attachment F-Cost Proposal. Please confirm that AWP discount pricing will be the sole basis for cost proposal analysis and RFP scoring. |
| A102 |  |  | AWP will be the basis for discount pricing. RFP analysis and scoring will be based on total cost including AWP discount pricing, rebates and admin. |
| Q103 | Attachment F - Cost Proposal |  | Please confirm requirements of financial guarantees reconciliation. For example, in aggregate, by channel or by component? |
| A103 |  |  | Financial guarantees will be reconciled by component. |
| Q104 | Attachment F - Cost Proposal |  | Please confirm how U&C should be treated in the reconciliation of brand and generic effective rate guarantees. i.e. will they be included or excluded from the network guarantees? |
| A104 |  |  | U&C Claims will be included in the overall brand and generic effective rate guarantees. |
| Q105 | Attachment F - Cost Proposal |  | RFP Attachment F-Cost Proposal EGWP tabs do not include sections for Long Term Care, Home Infusion and Indian / Tribal Indian / Urban Tribal Indian pharmacies. Please provide instructions for submitting these financial guarantees. |
| A105 |  |  | Segal will upload a revised Attachment F (v2) to the secure website. Vendors will receive notification when the upload occurs. |
| Q106 | Attachment F - Cost Proposal |  | RFP Attachment F-Cost Proposal indicates that specialty generics are to be included in mail or retail but does not mention how to treat specialty generics dispensed through specialty pharmacy. Please confirm that Vendors may include specialty drugs dispensed through specialty pharmacy in a separate distribution channel guarantee. Please provide instructions on how vendors are to submit this rate in RFP Exhibit F - Cost Proposal. |
| A106 |  |  | Include specialty generics dispensed at a retail pharmacy in the Retail Generic Discount Category. Include specialty generics dispensed via mail order or through the specialty pharmacy (but not a retail pharmacy) in the Mail Generic Discount Category.  |
| Q107 | Attachment F - Cost Proposal |  | Please provide the requirements as to how Vendors are to consider Limited Distribution Drugs. Typically LDD are excluded. Is exclusion of LDDs from the Specialty discount guarantee is acceptable? |
| A107 |  |  | Yes, exclusion of LDDs from the Specialty discount guarantee is acceptable. |
| Q108 | Attachment F - Cost Proposal |  | Please confirm that Vendors are required to reconcile brand and generic effective rate guarantees based on indicators provided by nationally recognized organizations. Also, please confirm that Vendors may not re-classify drugs based on upon proprietary PBM algorithms. |
| A108 |  |  | Yes, ETF confirms that Proposers are required to reconcile brand and generic effective rate guarantees based on indicators provided by nationally recognized organizations. Additionally, Proposers must indicate its source for brand and generic indicators. Regarding the second statement, ETF may allow drug re-classification if the Proposer/Contractor agrees to provide any/all proprietary algorithms, hierarchy or other logic employed to define a prescription drug as generic or brand. |
| Q109 | Attachment F – Cost Proposal, Note 1 |  | On Attachment F, Note 1 at the bottom of each tab says, “Generic specialty claims will be categorized into either retail or mail order generic discount category.”  Please confirm that this means the following or clarify how each discount is to be presented:* + The Specialty AWP Discount guarantees apply to only brand drug claims dispensed through the PBM’s specialty pharmacy,
	+ Specialty brand drugs dispensed at retail will be included in the retail brand discount guarantee,
	+ Specialty generic drugs dispensed at retail will be included in the retail generic discount guarantee, and

Specialty generic drug dispensed by the PBM’s specialty pharmacy will be included in the mail order generic discount guarantee even though they are not dispensed from the mail pharmacy. |
| A109 |  |  | See A106 above. Attachment F allows for the Proposer to quote specialty brand claims dispensed at PBM specialty pharmacy and/or Retail. Specialty generic drugs dispensed at retail will be categorized in the retail generic discount category. Specialty generic drugs dispensed at mail order or PBM specialty pharmacy will be categorized in the mail generic discount category. |
| Q110 | Attachments G and H |  | Will you provide these in excel format? |
| A110 |  |  | Yes, Attachments G and H are available in Excel format at https://etfonline.wi.gov/etf/internet/RFP/PharBeneMgmt16RFP/index.htm. |
| Q111 | Attachment H – EGWP Formulary |  | Can the list be updated with an NDC for all drugs?  |
| A111 |  |  | Proposers should be able to properly crosswalk and identify drugs based on the NDC or GPI codes provided in Attachment G – Commercial Formulary and Attachment H – EGWP Formulary. |
| Q112 | Appendix 3 – Data Specifications – Wellness |  | Does Appendix 3 – Data Specifications – Wellness apply to the PBM?  |
| A112 |  |  | Appendices 3, 4, 5 and 8 (Data Specifications and Health Insurance Fact Sheet) are provided as additional information for Proposers regarding the various programs the Department administers. |
| Q113 | Appendix 4 – Data Specifications – Medical |  | Does Appendix 4 – Data Specifications – Medical apply to the PBM? |
| A113 |  |  | See A112 above. |
| Q114 | Appendix 5 – Data Specifications – Dental |   | Does Appendix 5 – Data Specifications apply to the PBM? |
| A114 |  |  | See A112 above. |
| Q115 | Appendix 8 – Health Insurance Fact Sheet |   | We assume this document does not apply to the PBM. Please confirm. |
| A115 |  |  | See A112 above. |
| Q116 | Appendix 9 | 3 | The pharmacy benefit fact sheet shows 32,599 Medicare eligible members.  Per the RFP, more than 27,000 are covered by an individual PDP.  Should we assume that the remainder (5,599) are part of the EGWP?  Are the 27,000 individual lives in scope for this PBM RFP?  |
| A116 |  |  | See A2 above. |
| Q117 | Appendix 9 | 3 | 2.29% Mail-Order Utilization is stated; however, on the claim data files, there are no Mail Indicators – only “Ret” and “R90”. Which NPI numbers correspond with Mail Claims? |
| A117 |  |  | See A51 above.  |
| Q118 | RFP-Confidential Information; and Form E | 11  | PBM attests that the items listed below is confidential and a trade secret and respectfully requests that it not be disclosed to the public:  A. Client References and Lists B. Account Management Team Resumes C. Audited Financial Statements D. Pricing and Performance Guarantees The information contained in the above referenced sections (the “Confidential Information”), including without limitation pricing data, financials, references and resumes, would provide a competitor with an unfair advantage in dealing with other entities with whom PBM does or would like to contract. PBM asserts that several exceptions apply to protect the aforementioned information under the Uniform Trade Secrets Act. An overview of these exceptions and the corresponding segments of the PBM Proposals and Exhibits, are detailed below:II. EXCEPTIONS TO WISCONSIN’S PUBLIC RECORDS LAW APPLICABLE TO THE REQUESTED INFORMATIONThe Proposal and the referenced Attachments contain information that is protected from disclosure under Wisconsin’s Public Records Law and the Wisconsin’s Uniform Trade Secrets Act. The relevant provisions are as follows:Exception to Examination and Copying of Public Records: Wisconsin Public Records Law (1) (a) Right to inspection. Except as otherwise provided by law, any requester has a right to inspect any record. Substantive common law principles construing the right to inspect, copy or receive copies of records shall remain in effect. [emphasis added](1) Application of other laws. Any record which is specifically exempted from disclosure by state or federal law or authorized to be exempted from disclosure by state law is exempt from disclosure under § 19.35(1). (5) Trade secrets. An authority may withhold access to any record or portion of a record containing information qualifying as a trade secret as defined in § 134.90(1)(c). Wisconsin Uniform Trade Secrets Act: Definitions (c) “Trade secret” means information, including a formula, pattern, compilation, program, device, method, technique, or process to which all of the following apply: (1) The information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use. (2) The information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances. This broad definition should likely capture the information we are requesting to be withheld from disclosure in the PBM Proposal. As noted, the State of Wisconsin recognizes that a company will have information that the company creates and that sets it apart from its competitors and if obtained by a competitor, would cause substantial harm to the competitive position of the submitter (e.g.PBM) and as such, these Trade Secrets and confidential information should be afforded protection from disclosure. We argue that such protection should be afforded to the items described herein and be protected from disclosure as PBM’s Trade Secrets and other confidential information. PBM asserts that some of the requested information are Trade Secrets and PBM’s confidential information and will provide a complete FOIA Letter, and Redacted Copy of our Proposal for the State to provide for Open Records Request as outlined in Section 2.3 of the State’s proposal. Is this acceptable to the State? |
| A118 |  |  | The above is not acceptable to the State. ETF does not need, or use, a FOIA letter when responding to public records requests under the Wisconsin Public Records Law. The Proposer should follow the process identified in Section 2.3 of the RFP when submitting its Proposal. As described in Form E (Designation Of Confidential And Proprietary Information), the Proposer should list on that Form all information in its Proposal that it considers “proprietary and confidential information which qualifies as a trade secret as provided in s. 19.36 (5), Wis. Stats., or is otherwise material that can be kept confidential under the Wisconsin Open Records Law”.As described in Section 2.3, the file folder labeled “[Proposer Name] REDACTED PROPOSAL” is the file that ETF will submit to requesters pursuant to public records requests.Also, as stated in Form E, in the event of a challenge to the Proposer’s designation of confidentiality, the Proposer will defend the designation of confidentiality and hold the State of Wisconsin harmless for any costs or damages that arise from the State agreeing to withhold the material designated as confidential by the Proposer. |
| Q119 | Form E |  | Form E states “Prices always become public information when bids/proposals are opened, and therefore cannot be kept confidential.” Please clarify:1. Does this mean that all pricing information, such as discounts and rebates, will be disclosed, or only particular aspects of pricing such as administrative fees will be disclosed?  If only particular aspects, please specify which pricing elements must be made public.
2. Please clarify when disclosed pricing information will be made public. Will the disclosed pricing information be made public immediately upon opening, meaning that it will be publicly available during the evaluation/selection process? Or will it become available at a later date, such as upon contract award.
 |
| A119 |  |  | 1. ETF understands that discounts and rebates are considered to be proprietary by PBMs, so ETF would expect that PBMs/Proposers that submit Proposals likely will list discounts and rebates on Form E as being proprietary and confidential. ETF then will respond to public records requests as described on Form E and in Section 2.3 of the RFP.2. Disclosed pricing information is subject to Wisconsin Open Records law, and would be made available to any requestor after the Board selects a Proposer and a notice of intent to award a Contract is released, barring any need for ETF to withhold such information until after negotiations with the selected Proposer (the Contractor) are concluded. |
| Q120 | Form G | 1 | The State has indicated the manner in which proposers can submit assumptions or exceptions along with their proposal submission.  Would the State be willing consider a modification to the last sentence of Form G to state “We will comply with all terms, conditions and specifications required by the State in this Request for Proposal, subject to the terms of our proposal” or “We will comply with all terms, conditions and specifications required by the State in this Request for Proposal, as modified by the terms of our proposal”? |
| A120 |  |  | Neither of the above modifications are acceptable to the State. |
| Q121 | Form H – Vendor Information #3 |  | What type of Affirmative Action Information will the contractor need to submit to the State?  |
| A121 |  |  | An affirmative action plan is not required at this time. Form H requests the name of Proposer’s HR professional who would respond to ETF questions regarding the affirmative action plan that must be submitted by the Contractor after a Contract is signed. Visit <http://doa.wi.gov/Default.aspx?Page=e7e4ac94-bfb6-4fb0-a07c-6b6cb0190657> for more information. |
| Q122 | Form H Vendor Information #3 |  | Does the State provide a form or specify a required format for the Affirmative Action Information?  |
| A122 |  |  | Visit <http://doa.wi.gov/Default.aspx?Page=e7e4ac94-bfb6-4fb0-a07c-6b6cb0190657> for more information. |
| Q123 | Form H Vendor Information #3 |  | What is the deadline for submitting the Affirmative Action information to the State following the award of the contract?  |
| A123 |  |  | See Exhibit 1 Pro Forma Contract By Authorized Board, which states the Contractor shall provide its written affirmative action plan to the State within fifteen (15) business days after the award of the Contract. Also, see A122 above.  |
| Q124 |  General |   | Will there be a second opportunity for proposer questions? There is a high likelihood of questions arising once the Section 8 data is received and an additional opportunity for questions would be greatly appreciated.  |
| A124 |  |  | See A10 above. |
| Q125 | General |  | We are a company established in the U.A.E., will we be eligible to subscribe to the tender? |
| A125 |  |  | See Section 4.1 of the RFP, which states: Pursuant to Wis. Stat. § 16.705(1r), services must be performed within the United States. You may be a U.A.E. company but services must be performed in the United States.  |
| Q126 | General |  | Would it be possible to get the following documents related to RFP ETG0013 in Word format in order to increase the efficiency of the response formatting? EXHIBITS* [Exhibit 1 - Pro Forma State of Wisconsin Contract (includes the Pro Forma Contract By Authorized Board and the Pro Forma State of Wisconsin Pharmacy Benefit Program Agreement)](https://etfonline.wi.gov/etf/internet/RFP/PharBeneMgmt16RFP/Exhibit_1-Pro_Forma_State_of_Wisconsin_Contract.pdf)
* [Exhibit 2 - Standard Terms and Conditions (DOA-3054)](https://etfonline.wi.gov/etf/internet/RFP/PharBeneMgmt16RFP/Exhibit_2-Standard_Terms_and_Conditions_%28DOA-3054%29.pdf)
* [Exhibit 3 - Supplemental Standard Terms and Conditions for Procurement for Services (DOA-3681)](https://etfonline.wi.gov/etf/internet/RFP/PharBeneMgmt16RFP/Exhibit_3-Supplemental_Standard_Terms_and_Condition%28DOA-3681%29.pdf)
* [Exhibit 4 - Department Terms and Conditions](https://etfonline.wi.gov/etf/internet/RFP/PharBeneMgmt16RFP/Exhibit_4-Department_Terms_and_Conditions.pdf)
 |
| A126 |  |  | Yes. These documents are posted in Word format on ETF’s extranet site (<http://etfextranet.it.state.wi.us/etf/internet/RFP/rfp.html>). Please note, there are two Exhibit 1 documents: Pro Forma Contract By Authorized Board and State of Wisconsin Pharmacy Benefit Program Agreement. |
| Q127 | General |  | Would the DEPARTMENT be willing to provide dummy login information to the existing member web portal that would allow bidders to sample features of the site? |
| A127 |  |  | Access to the existing member Web portal will not be granted.  |
| Q128 |   |   | Are retiree annuity payments reduced by the amount of insurance premiums? |
| A128 |  |  | At this time most retirees have their premium taken from the monthly annuity payment. However, some members pay premiums directly.  |
| Q129 |   |   | It is our understanding based on the background information supplied in the RFP that the contracted PBM vendor will required to accept eligibility feeds and other data from 17 different medical vendors. Based on the future state described in Section 1.3, when the data warehouse is launched does ETF anticipate sending one data feed, including eligibility from the data warehouse? Or will eligibility still come from all 17 medical vendors?  |
| A129 |  |  | The PBM should be prepared to establish connectivity with all 17 health plans as needed for data sharing and for management of deductible and out-of-pocket limit accumulator files. The Department is considered the system of record for eligibility; however, eligibility based data may need to be shared between other contracted vendors and the PBM. |
| Q130 |   |  | Please provide the volume of member calls by Commercial (Active) and EGWP/Retiree lives for the past 12 months. |
| A130 |  |  | There were approximately 83,000 Member calls associated with commercial coverage, and in excess of 40,000 calls associated with EGWP coverage in the 2016 plan year. |
| Q131 |  |  | Please provide the number of Administrative and Clinical Prior Authorizations for the past 12 months. |
| A131 |  |  | Approximately 7,500 Prior Authorizations (PAs) were approved and approximately 4,000 PA requests were denied in the 2016 Plan Year. |
| Q132 |  |  | Please provide a detailed list of all current clinical programs edits in place today. This would include and not be limited to Quantity Limits, Step Therapies, Age Gender, Prior Authorization edits, and all concurrent, prospective and retrospective DUR programs. |
| A132 |  |  | A full array of clinical programs (concurrent, retrospective and prospective) are utilized for the GHIP and WPE programs. Program edits associated with specific drugs can be identified in Attachment I Formulary Companion Guide. |
| Q133 |  |  | Is the current formulary for active members and open or exclusionary formulary. Does the State want a disruption for the both an open and an exclusionary formulary? |
| A133  |  |  | The current formularies available for GHIP and WPE members are customized formularies that utilize the exclusion of certain drugs but are predominantly open. Proposers will submit a disruption analysis as directed in Section 8.3 of the RFP. |

**END**

This Addendum is available on ETF’s Extranet at <https://etfonline.wi.gov/etf/internet/RFP/PharBeneMgmt16RFP/index.htm>).